Financial Bunglings in PNB

3310. SHRI SHIBU SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large scale financial bungling have been found in the Punjab National Bank;

(b) if so, the details of the investigations made/being made in this connection;

(c) the details of the executives involved in the bungling; and

(d) the details of the action taken/to be taken against the officials found guilty in the above case?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) The role of the then Chairman and Managing Director (CMD) of Punjab National Bank (PNB) and the then Managing Director (MD) of PNB Caps, and others in some allegedly irregular securitties transactions during the period April 1991 to May 1992 was examined in counsultation with the Reserve Bank of India (RBI) and the Central Vigilance Commission (CVC) and it was decided to refer the matter to the Central Bureau of Investigation (CBI) for investigation. The CBI has sinced registered a Preliminary Enquiry in the matter.

The CBI has also registered a regular case against the then CMD of PNB, the then MD of PNB Caps, and others in a matter relating to irregularities in sanction of short term deposit/bridge loans to M/s. Willard India Ltd. and M/s. Solarson Industies Ltd. by PNB Caps. PNB Caps, has filed winding up petitions against the companies.

The completion of the investigation and finding officials guilty after trial in the above cases depends upon the collection and scrutiny of evidence to prove the allegations.

Abolition of surcharge on corporate and personal income tax

3311. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether the Confederation of Indian Industry (CH) has requested Government to abolish 10 per cent surcharge on corporate and personal Income Tax;